



Contact Me By...

Mail:

State Rep. Jim Buck
Room 401-5, Statehouse
200 W. Washington St.
Indianapolis, IN 46204



Telephone:

1-800-382-9841
ext. 9824



E-mail:

R38@ai.org

Just the Tax Facts

Before you read on about my views on taxation, I have a few questions I want you to consider.

#1 - Do you feel your family pays too much in taxes to the government?

#2 - Do you believe taxes have prevented businesses (and jobs) from locating in Indiana?

#3 - Can our state government afford to reduce the taxes on Hoosier families and businesses, and still provide the necessary funding for education and infrastructure?

I wholeheartedly believe the answer to each of these questions is yes. Let me explain why and what I think should be done about each.

Taxes Are Too High

With the exception of the auto excise tax cut, enacted in 1995, all other taxes have risen, or at best, stayed the same. In fact, since 1988 property taxes (which affect homeowners and renters alike) have more than doubled. During a time of unprecedented economic prosperity, government budget surpluses have swelled without any noticeable tax relief.

The average Hoosier family has been affected by simply having less to spend on family matters. However, senior citizens and farmers have taken the real hit, as seniors have been forced out of their long-time homes because of property tax bills that are too high, and farmers have continued paying more and more in taxes even as commodity prices and droughts have reduced their incomes.

Our state government should not view a large budget surplus as more money to spend, but rather as overpayment by the citizens. During this time of economic prosperity, state government should be finding ways to reduce the reliance on property taxes, thereby significantly **cutting everyone's taxes**. And specifically, we should be taking this opportunity to **cut and freeze the property taxes of senior Hoosiers** so they can adequately budget for their

property tax payments. Finally, we should be **providing farmers with tax relief** so they can afford to keep their land, because this will also help preserve our environment.

Taxes Are Costing Us Jobs

Not only are employers choosing not to locate in Indiana because of our tax system, but many long-time Hoosier employers are actually leaving and taking their jobs with them. One example of a burdensome tax on specific employers is the insurance premium tax. Our surrounding states all have a lower rate for taxes on insurance companies. Why should these employers choose to remain in Indiana if they will pay lower taxes in a nearby state? This past session, the legislature actually approved legislation to make this tax competitive with our neighbor states. Unfortunately, the legislation was vetoed by Governor Frank O'Bannon.

Even if we can keep businesses from leaving, we still need to be creating incentives for employers to bring jobs to our state. Unfortunately, our state's inventory tax (which many states do not have) keeps many employers from choosing to become part of our Hoosier heritage. The inventory tax is the most burdensome tax for busi-

cont. on page 4

The Perfect School

If we all came together to create a model of our perfect school where would we start and what would be our focus?

Obviously, talented **teachers** are one of the most critical components in creating a successful school. We should encourage our dedicated teachers to continue building on their classroom skills by giving them a tax credit for completing professional development courses.

Many of our teachers face a classroom of students who have a wide variety of abilities. Some children are visual learners, while others learn better through auditory memory exercises. Professional development courses allow teachers to gain new insight into these varied learning styles so that all of our children can reach their highest potential.

Indiana should also reward those teachers with higher pay if they continually bring innovative and challenging projects into the classroom. By using periodic reviews, we could compensate

those teachers who excel in the classroom.

The new licensure system for teachers is moving away from the minimum course work and credit hour completion requirements to content-based standards. Under the new system, teachers cannot be licensed unless they demonstrate proficiency in the specific content area in which they will be teaching. Teachers should only teach in classrooms where they have demonstrated a mastery with that grade level and/or subject matter. To have them teach unfamiliar subjects is unfair to both the teacher and the student.

Another critical component to a successful school is a **positive and respectful learning environment**. Teachers can only reach their students when they have the means to control

their classroom. Discipline is a growing problem in many of our schools. Teachers and school corporations should be protected from the threat of frivolous lawsuits from students who are disruptive or abusive in class. As parents, we expect our workplace to

operate in a calm and orderly manner. We should expect no less from our schools. The state should create a state-managed umbrella protection for teachers and increase protection

for schools from the threat of these lawsuits.

One of the final pieces to a successful school model is **accountability**. I realize that the ISTEP+ exam continues to generate controversy, but one positive aspect of the exam is that parents have become very involved in their child's education. There is discussion at the state level to move away from the ISTEP+ exam and toward a test that could be completed in half the time. We can look at alternative exams, but we must maintain standards. Annual testing will quickly identify students who may need remediation and get them the help they deserve. The practice of social promotion must end. To send a student onto the next grade when they have not successfully mastered their current grade level skills is unthinkable.

There are no quick fixes when it comes to giving our children a better education. In the end it requires a concerted effort by all of us - parents, teachers, school board members, students, and community and political leaders to make the necessary changes in our schools. By focusing on these three areas we should be able to see concrete improvements in delivering each child a sound educational experience.

The state should create a state-managed umbrella protection for teachers and increase protection for schools from the threat of these lawsuits.



Representative Buck always takes time out of his busy session schedule to speak to constituents.

Report On Crime

Statistics show that crime is decreasing. This is great news, but there still is a lot of work to be done in order to ensure all of our citizens feel safe. I believe we need to increase minimum incarceration time for those who commit the most severe crimes. It doesn't make sense to reward those who prey upon law-abiding Hoosiers with partial sentences and credit for time served. I believe we need to keep habitual offenders behind bars for longer periods of time.

Unfortunately, our state law enforcement has been in the news for corruption instead of crime fighting. Recently, Hoosiers have heard stunning allegations of corruption, abuse of power and bribery on the part of the head of the State Excise Police. This is unacceptable behavior! When those responsible for enforcing the laws are themselves breaking it, how can the trust of Hoosiers be maintained? I would support a measure to place the State Excise Police under the jurisdiction of the State Police in order to consolidate the number of administrators involved in law enforcement, which in turn saves taxpayer dollars. We need more law enforcement officials on the streets protecting us, not more appointed administrators getting into trouble.

While I have the utmost confidence in the ability of our State Troopers and the Indiana State Police, I was quite disturbed to read about the plight of a trooper from Bremen, which is located in north central Indiana. Trooper Ben Endres was fired from the Indiana State Police for reasons of insubordination and failure to follow an order by refusing to report to the Blue Chip Casino in Michigan City. The reason for not reporting is that Trooper Endres holds a deep religious belief that gambling is morally wrong. How could he live with himself if he allowed himself to be used as "window dressing" on the property of a private enterprise he believes is wrong? Next session, I hope legislation will be introduced to ensure State Troopers do not have to serve on river boat casinos if they do not want to.

I feel we have many brave men and women serving to protect us in the law enforcement community. It is time state government weeds out the administrative corruption and shows support for the very officers who put their lives on the line day in and day out.

The World of Technology

Everyone is aware that employers are only as good as their employees, and employees are reliant on the success of their employer. Employers will only be successful if they can draw from a skilled workforce, and employees will only be able to find jobs if the business community thrives. Therefore, a large responsibility of state government is to provide the greatest economic development opportunities possible.

In Indiana, we have fallen behind the curve in enhancing the economic development climate which helps to keep jobs in our state. Hoosier college graduates leave the state to find jobs that are not offered in Indiana. This is because Indiana ranks 46th nationally in job-growth. This ranking falls behind states such as Alabama and Kentucky.

The problem is not that we cannot produce a skilled workforce. It is simply that the incentives are not in place to encourage businesses to locate in Indiana and employ a high-skilled workforce. Fortunately, there are solutions to this problem.

We can begin by creating a level tax playing field for current or prospective Hoosier employers. Eliminating the inventory tax on businesses would attract employers who have chosen to locate in surrounding states that do not have an inventory tax. Eliminating disparities in the state's property and sales tax abatement programs would also help. Currently, manufacturing companies can exempt their equipment purchases from sales tax, but high-tech companies cannot do the same for computers or lab equipment.

In addition to easing the tax burden, however, our state government needs to begin encouraging an atmosphere that will bring high-tech jobs to Indiana. Employers who create high-tech jobs need to know that Indiana is a state where they will be able to receive the capital and talent needed to prosper.

Currently, we have the 21st Century Fund, which is a state program designed to assist employers in creating high-tech jobs. Unfortunately, the budget for the fund is well below the amount needed to fund the number of companies applying. If we expand the 21st Century Fund to meet the needs of more employers, we can significantly increase the number of high-tech jobs these employers will be able to create.

Another solution would be to permanently install research and development tax credits offered to employers. The research and development tax credits are a great way to encourage employers to invest their capital in the creation of high-tech jobs. However, it does no good for us to encourage businesses to locate in Indiana with the offer of these tax credits if they are not sure the credits will remain. In February, the legislature approved a measure to keep these credits in place. Unfortunately, it was vetoed by the governor.

Finally, we should create a system of regional high-tech research centers across the state. Building on a model currently operated by Purdue University, these centers would be utilized to accomplish two goals. First, the centers would help existing businesses with new research and development opportunities, with an emphasis on high-skill, high-wage jobs. Secondly, they would help to expand and coordinate programs for technical assistance to new and existing businesses in an attempt to increase productivity, implement new technology and improve management practices.

We are beginning the 21st century, and no one is sure where technology will take us. The one thing we know is that your state government needs to open all doors for employers and employees to succeed.

We are beginning the 21st century, and no one is sure where technology will take us. The one thing we know is that your state government needs to open all doors for employers and employees to succeed.

• THE WORLD OF TECHNOLOGY

Statistics show that crime is decreasing. This is great news, but there still is a lot of work to be done in order to ensure all of our citizens feel safe.

• REPORT ON CRIME

If we all came together to create a model of our perfect school where would we start and what would be our focus?

• THE PERFECT SCHOOL

With the exception of the auto excise tax cut, enacted in 1995, all other taxes have risen, or at best, stayed the same.

• JUST THE TAX FACTS

Here's What's Inside...

** If this is a duplicate mailing or the address is incorrect, please return to our office.

INDIANAPOLIS, IN 46204

401-5 STATEHOUSE

HOUSE OF REPRESENTATIVES

STATE REP. JIM BUCK

Bulk Rate
U.S. Postage
Paid
Permit No. 639
Indianapolis, IN
46204

(Tax Facts cont.)

ness owners in Indiana. What sense does it make for state government to leave taxes in place that keep jobs away?

As technology has increased, we have seen our country and state move into competition with a world economy. We must remove barriers that prevent us from attracting jobs that are competitive in a world-wide economy. We need to **eliminate the inventory tax** and **make the insurance premium tax comparable to surrounding states**.

State Government Can Afford To Cut Our Taxes And Not Hurt Education

To significantly cut taxes we simply need to practice responsible government. I am sure each of us does our best to be fiscally responsible with our own family budgets. We prioritize what spending needs are important and we spend within the means of our income – and our state government should do the same. State government should handle the budget as any Hoosier family would. Prioritize the spending needs: education, infrastructure, etc...then hold the line on all other spending. To do so would easily prove that Hoosier taxpayers have overpaid for years.

Additionally, more income does not necessarily have to mean finding ways to spend. Unfortunately, in recent years state government has used additional tax income as a reason to increase spending. When state government receives increased revenue, two choices can be made. Spend the money or provide tax relief. Over the past few years, state

government has received increased revenue. Have you experienced any tax relief? No, because spending has increased.

I have no doubt that a responsible state government can make sure we adequately fund education and infrastructure needs and still provide the tax cuts I have mentioned above. It simply will take responsible elected officials committed to making it happen. **It can be done.**



Representative Buck speaks with two pages during session. If you know someone who might be interested in being a page, please call the Statehouse for details.